
STATUTORY INSTRUMENTS

2007 No. 1821

**The Financial Services and Markets Act 2000
(Exemption) (Amendment No. 2) Order 2007**

Amendment of the Financial Services and Markets Act 2000 (Exemption) Order 2001

2.—(1) The Financial Services and Markets Act 2000 (Exemption) Order 2001⁽¹⁾ is amended as follows.

(2) In Part 3 of the Schedule (persons exempt in respect of any regulated activity mentioned in article 5(1)), after paragraph 33 insert—

“**33A.** Invest Northern Ireland.”.

(3) In Part 4 of the Schedule (persons exempt in respect of particular regulated activities), in paragraph 40(3)(b)—

(i) for “this paragraph” substitute “sub-paragraph (1)”;

(ii) after “Regulated Activities Order” insert “in breach of the general prohibition”.

(4) In Part 4 of the Schedule, after paragraph 49 insert—

“Freight forwarders and storage firms

50.—(1) A freight forwarder or storage firm is exempt from the general prohibition in respect of any regulated activity of the kind specified by article 21, 25, 39A or 53 of the Regulated Activities Order⁽²⁾ (dealing in investments as agent, arranging deals in investments, assisting in the administration and performance of a contract of insurance or advising on investments) in the circumstances referred to in paragraph 2.

(2) The circumstances are—

(a) where a freight forwarder (“F”)—

(i) holds a policy of insurance which insures F in respect of loss of or damage to goods which F transports or of which F arranges the transportation, and

(ii) makes available to a customer rights under that policy to enable the customer to claim directly against the insurer in respect of loss or damage to those goods; or

(b) where a storage firm (“S”)—

(i) holds a policy of insurance which insures S in respect of loss of or damage to goods which S stores or for which S arranges storage, and

(ii) makes available to a customer rights under that policy to enable the customer to claim directly against the insurer in respect of loss or damage to those goods.

(3) In this paragraph—

(1) [S.I. 2001/1201](#), amended by [S.I. 2001/3623](#) and [2007/125](#). There are other amending instruments but none is relevant to this Order.

(2) [S.I.2001/544](#), amended by [S.I.2003/1476](#); there are other amending instruments but none is relevant to this Order.

- (a) “freight forwarder” means a person whose principal business is arranging or carrying out the transportation of goods;
- (b) “storage firm” means a person whose principal business is storing goods or arranging storage for goods;
- (c) “customer” means a person who is not an individual who uses the service of a freight forwarder or storage firm.

Policyholder Advocates

51.—(1) A person acting as a policyholder advocate is exempt from the general prohibition in respect of any regulated activity of the kind specified by article 25 or 53 of the Regulated Activities Order (arranging deals in investments or advising on investments) in so far as he carries on these activities in connection with, or for the purposes of, his role as policyholder advocate.

(2) In sub-paragraph (1), “policyholder advocate” means a person who is—

- (a) appointed by an insurer (“I”) to represent the interests of policyholders in negotiations with I about I’s proposals to redefine the rights and interests in any surplus assets arising in I’s with-profits fund; and
- (b) approved or nominated by the Authority to carry out that role.

(3) In sub-paragraph (2), “with-profits fund” means a long-term insurance fund in which policyholders are eligible to participate in surplus assets of the fund.”.